



STATE OF
COLORADO

Jesse - DNR, Todd <todd.jesse@state.co.us>

Deserado Mine, C-1981-018, May 23, 2023 Partial Inspection Report

1 message

Jesse - DNR, Todd <todd.jesse@state.co.us>

Thu, Jun 1, 2023 at 11:03 AM

To: kblunt@deserado.com

Cc: Clayton Wein - DNR <clayton.wein@state.co.us>

Good afternoon Kurt,

Attached is the Division's report for the inspection for the Deserado Mine conducted May 23, 2023. Please feel free to contact me if you have any questions or concerns.

Thank you,
Todd Jesse

--
Environmental Protection Specialist
Minerals Program, Grand Junction Field Office

 **2023-06-01_INSPECTION_C1981018.pdf**
4509K



COLORADO

Division of Reclamation,
Mining and Safety

Department of Natural Resources

PERMIT INFORMATION

Permit Number: C-1981-018 Mine Name: Deserado Mine Operator: Blue Mountain Energy, Inc Operator Address: Mr Kurtis Blunt 3607 County Road 65 Rangely, CO, 81648	County: Moffat, Rio Blanco Operation Type: Underground Permit Status: Active Ownership: Private
	Operator Representative Present: Kurtis Blunt
Operator Representative Signature: (Field Issuance Only)	

INSPECTION INFORMATION

Inspection Start Date: May 23, 2023 Inspection Start Time: 11:00 Inspection End Date: May 23, 2023 Inspection End Time: 13:30	Inspection Type: Coal Partial Inspection Inspection Reason: Normal I&E Program Weather: Clear
Joint Inspection Agency: None	Joint Inspection Contacts:
Post Inspection Agency: None	Post Inspection Contacts:
Inspector(s): Todd Jesse	Inspector's Signature: 
	Signature Date:

Inspection Topic Summary

NOTE: Y=Inspected N=Not Inspected R=Comments Noted V=Violation Issued NA=Not Applicable

- | | |
|------------------------------------|------------------------------------|
| N - Air Resource Protection | R - Roads |
| N - Availability of Records | R - Reclamation Success |
| N - Backfill & Grading | R - Revegetation |
| R - Excess Spoil and Dev. Waste | N - Subsidence |
| N - Explosives | N - Slides and Other Damage |
| R - Fish & Wildlife | R - Support Facilities On-site |
| R - Hydrologic Balance | Y - Signs and Markers |
| Y - Gen. Compliance With Mine Plan | N - Support Facilities Not On-site |
| N - Other | N - Special Categories Of Mining |
| N - Processing Waste | R - Topsoil |

COMMENTS

This report documents the observations made by the Division during a Coal Partial Inspection of the Deserado Mine on May 23, 2023. The inspection was completed by Todd Jesse of the Division. Kurt Blunt represented Blue Mountain Energy during the inspection. The weather was mostly sunny with temperatures around 75 degrees F. The ground conditions are mostly dry, but muddy areas persist due to the high winter snow totals – snow could still be seen on high ridges surrounding the mine. Despite muddy ground conditions in some areas, the majority of the mine was accessible. Please note that Maintenance Items are listed in this report in **Bold** text. Please provide the Division with photos of the items once they have been completed.

EXCESS SPOIL and DEVELOPMENT WASTE – Rule 4.09

Placement; Drainage Control; Surface Stabilization:

The Halandras Landfill (Photo 2) is located on the west side of County Road 65 (CR-65), north of the main facilities area. The debris outside of the pit that was noted in the April inspection was returned to the pit. There were no indications of offsite impacts of erosional features in the landfill area.

FISH and WILDLIFE – Rule 4.18:

A number of male Red-winged Blackbirds were present around the Last Chance Pond. There were also several small brown birds that could have been female Red-winged Blackbirds or a different species. A Blue Heron was also observed near the Process Water Pond adjacent to the White River.

HYDROLOGIC BALANCE - Rule 4.05

Drainage Control 4.05.1, 4.05.2, 4.05.3; Siltation Structures 4.05.5, 4.05.6; Discharge Structures 4.05.7, 4.05.10; Diversions 4.05.4; Effluent Limits 4.05.2; Ground Water Monitoring 4.05.13; Surface Water Monitoring 4.05.13; Drainage – Acid and Toxic Materials 4.05.8; Impoundments 4.05.6, 4.05.9; Stream Buffer Zones 4.05.18:

The DP-1 pond (Photo 3) is within the facilities area of the mine site. DP-1 was discharging at the time of the inspection. The embankments of the pond have established vegetation and there was no evidence of instability of erosion. The outfall was free of obstructions. The pond is designed to be 6 feet deep, but is filling with sediment. The mine anticipates being able to muck out pond DP-1 in the summer months (likely August) to regain

Number of Partial Inspection this Fiscal Year: 8

Number of Complete Inspections this Fiscal Year: 3

storage capacity in the pond. Mine staff expects to remove approximately 650 cubic yards of sediment from DP-1 that will be impounded in waste storage facilities on site.

The Last Chance Pond is part of the dewatering system that allows miners to work underground. The pond is part of a passive water treatment system that improves water quality before it is discharged into the environment. At the time of the inspection the pond was discharging water (Photo 4). The embankment of the pond is stable with no burrows or erosional concerns (Photo 5). There were also a large number of song birds around the pond at the time of the inspection.

The D-Seam dewatering system was not active during the time of the inspection. The ponds that are part of the treatment process are holding a small amount of meteoric water, but they are expected to dry out in the coming weeks (Photo 6). There was no evidence of animal burrows or erosional concerns identified on the embankments of the ponds. The pumps for this dewatering system have not run since 2022. The pad where the dewatering pump is located does not show signs of settling or erosion.

Pond SS-2 in the slot storage area is not holding water (Photo 7). The embankments of the pond are stable with no burrows or erosional concerns identified. Culverts around the slot storage area and nitrogen plant have been cleaned of debris.

The Rail Loop Sump and Pond are part of the hydrologic controls around the rail loop area. The sump was not holding water, but a small amount of water was seen dripping in and filtering into the ground. No erosion concerns were identified at the sump. The Rail Loop Pond (Photo 8) to the east of the sump was not holding water either. The erosional scar on the north embankment of the pond looks the same size as previous inspections and does not appear to grow.

The Process Water Pond (Photo 9) near the entrance to the mine site provide makeup water for the coal operation. With the good snow year, runoff in the adjacent White River is extremely high. The river has entered the flood plain around the pond, but the embankment is maintaining separation between the pond and flooded river.

ROADS – Rule 4.03

Construction 4.03.1(3)/4.03.2(3), Drainage 4.03.1(4)/4.03.2(4), Surfacing and Maintenance 4.03.1(5) and (6)/4.03.2(5) and (6), Reclamation 4.03.1(7)/4.03.2(7):

The haul road (Photo 10) at the Deserado Mine was well maintained and being sprayed to suppress dust. For the most part, ditches along the main haulage and support roads have been pulled and are clear. Support roads leading to some of the more remote areas of the mine are rutted, but surface operators are continuing with their spring cleaning and will grade the roads when they are able.

RECLAMATION SUCCESS - Rule 4.15, Rule 3:

Crews reclaimed boreholes last fall and work on those pads continue this year. The boreholes were used to inject nitrogen into underground workings. Now that the underground crews have moved to a different area the boreholes are being abandoned. Surface crews are grading and revegetating pads while abandoning boreholes by plugging them (Photo 11). This will be an ongoing effort over the summer months for the surface crews.

Number of Partial Inspection this Fiscal Year: 8

Number of Complete Inspections this Fiscal Year: 3

REVEGETATION – Rule 4.15**Vegetative Cover; Timing:**

Revegetation is starting to take on reclaimed borehole pads. It appears that it is mostly grass species that are beginning to propagate on the reclaimed pads. No invasive species were observed in the revegetation area or anywhere else on site during the inspection.

SUPPORT FACILITIES - Rule 4.04:

The B Vent Shaft #3 (Photo 12) is a vent shaft designed to improve ventilation in the underground workings. The vent shaft is guarded by a chain-link fence to prevent staff and the general public from approaching an open hole. The shaft is also guarded by corrugated tube that reaches roughly 6 feet above ground level. There were no signs of erosion or slumping around the vent shaft pad

TOPSOIL – Rule 4.06

Removal 4.06.2; Substitute Materials 4.06.4(4); Storage and Protection 4.06.3; Redistribution 4.06.4:

The Rail Loop Topsoil Stockpile (Photo 13) is located between the Rail Loop Sump and Rail Loop Pond. The topsoil stockpile is protected from erosion by vegetative cover and a small berm at the base of the pile. A topsoil marker is placed on top of the pile to mark it as topsoil. There were no indication of erosion or instability observed on the stockpile.

DOCUMENTS RECEIVED: None

OTHER (SPECIFY): None

Number of Partial Inspection this Fiscal Year: 8

Number of Complete Inspections this Fiscal Year: 3

ENFORCEMENT ACTIONS/COMPLIANCE

No enforcement actions were initiated as a result of this inspection, nor are any pending.

Number of Partial Inspection this Fiscal Year: 8

Number of Complete Inspections this Fiscal Year: 3

PHOTOGRAPHS



Photo 1: Mine identification sign at entrance to permit



Photo 2: View to the southwest of landfill area. Waste is contained in the pit.

Number of Partial Inspection this Fiscal Year: 8

Number of Complete Inspections this Fiscal Year: 3



Photo 3: View to the south of inlet to Pond DP-1.



Photo 4: View to the south of discharge on Last Chance Pond

Number of Partial Inspection this Fiscal Year: 8

Number of Complete Inspections this Fiscal Year: 3



Photo 5: View to the west of embankment of Last Chance Pond



Photo 6: View to the northeast of D Seam dewatering ponds. Meteoric water present.

Number of Partial Inspection this Fiscal Year: 8

Number of Complete Inspections this Fiscal Year: 3



Photo 7: View to the north of pond SS-2. No water present.



Photo 8: View to the northeast of erosional scar in Rail Loop Pond.

Number of Partial Inspection this Fiscal Year: 8

Number of Complete Inspections this Fiscal Year: 3



Photo 9: View to the east of process water pond. Pond is on the right and flooded river on the left.



Photo 10: View to the west of haul road. Ditch has been pulled and road was wet from water truck.

Number of Partial Inspection this Fiscal Year: 8

Number of Complete Inspections this Fiscal Year: 3



Photo 11: View to the north of borehole pad revegetated last fall. Crews still need to plug and fill the injection well on this pad.



Photo 12: View to the south of B Vent Shaft.

Number of Partial Inspection this Fiscal Year: 8

Number of Complete Inspections this Fiscal Year: 3



Photo 13: View to the east of topsoil stockpile by the Rail Loop.

Number of Partial Inspection this Fiscal Year: 8

Number of Complete Inspections this Fiscal Year: 3

AVAILABILITY OF RECORDS

PERMIT RECORDS

- DRMS Permit _____
 - Permit Application w/Revisions _____
 - Findings Document _____
 - Insurance Certificate _____
 - Bond Document _____
 - Phased Bond Release _____
 - Documents/Findings _____
 - Air Emission Permits _____
 - County Special Use Permits _____
 - UG Mining Landowner Notification _____
 - Subsidence Monitoring Reports _____
 - Subsidence Monitoring Data _____
 - Rill & Gully Survey _____

 - Vegetation Monitoring Data _____
 - Specific Variance Approvals _____
 - Annual Reclamation Reports _____
 - Midterm Review Documents _____
 - DRMS/OSM Inspection Reports/Enforcement Actions (3 Years) _____
 - Transfers/Succession of Operator _____
 - Temporary Cessation Notification _____
 - Reclamation Cost Estimate _____
- CERTIFICATIONS**
- Pond Certifications _____
 - Annual Certifications for Impoundments _____
 - Fill Certifications for Excess Spoil or Underground Development Waste _____
 - Quarterly Inspections _____
 - Compaction Testing _____
 - Final Certification _____
 - Coal Processing Waste Banks _____
 - Haul Road Certifications _____
 - Access Road Certifications _____

HYDROLOGIC RECORDS

- NPDES Permit _____
- NPDES Records _____
- Stormwater Management Plan _____
- SPCC Plan _____
- MSHA Pond Inspections _____

- State Engineer’s Pond Inspection _____
- Quarterly Pond Inspections _____
- Annual Hydrology Reports _____
 - Ground Water Monitoring _____
 - Surface Water Monitoring _____
 - Spring & Seep Monitoring _____
 - Mine Water Discharge Monitoring _____
 - Mine Inflow Study _____
 - Water Consumption Records _____
- Well Permits _____

BLASTING RECORDS

- Blasting Publication _____
- Blasting Records (3 years) _____
- ATFE Explosives Permit _____
- Blasting Variances _____
- Pre-Blast Surveys _____

ADDITIONAL RECORDS (specify)

- _____
- _____
- _____
- _____

COMMENTS:

Number of Partial Inspection this Fiscal Year: 8
 Number of Complete Inspections this Fiscal Year: 3